

**CITY COUNCIL OF THE CITY OF SAN DIEGO  
SUPPLEMENTAL DOCKET NUMBER 2  
FOR THE REGULAR MEETING OF  
TUESDAY, JUNE 25, 2002**

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ADOPTION AGENDA, DISCUSSION, HEARINGS

SPECIAL HEARING:

ITEM-S500: Reloan of City Funds to the Redevelopment Agency.

**CITY MANAGER'S RECOMMENDATION:**

Adopt the following resolution:

(R-2002-1774)

Accepting the final loan repayment from the Redevelopment Agency in the amount of \$267,932 from the Market Street Industrial Park Redevelopment Project Area (Fund 98601) to the City CDBG Fund 18502;

Amending the Fiscal Year 2002 CDBG budget to authorize the reloan of \$267,932 from the City of San Diego CDBG Fund 18502 as an interest-bearing loan to the Redevelopment Agency to the Southcrest Redevelopment Project Area to provide funds for the 252 Residential Phase II Street Improvements (Fund 983302);

Directing the City Auditor and Comptroller to record the \$267,932 as an interest-bearing loan to the Redevelopment Agency to be repaid as soon as practicable from tax increment or other appropriate revenues.

**CITY MANAGER SUPPORTING INFORMATION:**

On December 5, 2000, the effectiveness of the Redevelopment Plan for the Market Street Industrial Park Redevelopment Project was terminated. As part of the termination, loans made to the project area from CDBG funds are planned to be fully repaid to the City from tax increment generated within the project area.

ADOPTION AGENDA, DISCUSSION, HEARINGS (Continued)

SPECIAL HEARING: (Continued)

ITEM-S500: (Continued)

**CITY MANAGER SUPPORTING INFORMATION:** (Continued)

Following the companion Agency budget amendments, \$267,932 will be repaid from the Market Street Redevelopment Project to the City CDBG Fund. With the return of these funds to the CDBG program, the City Council may, at its discretion, allocate these funds to any CDBG eligible use. It is recommended that these funds be loaned again to the Redevelopment Agency to the Southcrest Redevelopment Project Area, to provide funds for the 252 Residential Phase II Street Improvements (Fund 983302), with the loan to be recorded as debt of the Agency to be repaid as soon as practicable from tax increment or other available revenues.

**FISCAL IMPACT:**

The Fiscal Year 2002 CDBG Budget will be increased by \$267,932 to reflect the repayment of loans previously made to the Market Street Industrial Park Redevelopment Project. The availability of these funds allow for a reloan to the Redevelopment Agency to provide funds in the amount of \$267,932 to the Southcrest Redevelopment Project Area, to provide funds for the 252 Residential Phase II Street Improvements. This loan will be recorded as debt of the Agency to be repaid by the Redevelopment Agency as soon as practicable from tax increment or other available revenues.

Herring/Cunningham/EMD

Aud. Cert. 2201212.

**NOTE:** See the Redevelopment Agency Agenda of 6/25/2002 for a companion item.